

Welcome | Bienvenue | Benvenuti | Bienvenido | Willkommen | Welcome | Bienvenue | Benvenuti

Annual Shareholders' Meeting on **April 7, 2015**

Bienvenue | Benvenuti | Bienvenido | Willkommen | Welcome | Bienvenue | Benvenuti | Bienvenid
Willkommen | Welcome | Bienvenue | Benvenuti | Bienvenido | Willkommen | Welcome | Bienvenue

Joachim Kreuzburg
Chairman of the Board and CEO

Disclaimer

This presentation contains statements concerning Sartorius Stedim Biotech Groups' future performance. These statements are based on assumptions and estimates. Although we are convinced that these forward-looking statements are realistic, we cannot guarantee that they will actually materialize. This is because our assumptions harbor risks and uncertainties that could lead to actual results diverging substantially from the expected ones. It is not planned to update our forward-looking statements.

Throughout this presentation, differences may be apparent as a result of rounding during addition.

Agenda

- 1 >> 2014 Highlights
- 2 2014 Results Review | Guidance 2015
- 3 Dividend Proposal
- 4 Proposals Concerning Resolutions 10 - 14
- 5 Mid-term prospects



2014

Order intake ¹⁾	+ 17%
Sales revenue ¹⁾	+ 16%
Underlying EBITDA ²⁾	+ 18%
Underlying EPS ³⁾	+ 16%

Performance Driven by Both Strong Organic Growth and Acquisitions

Dynamic organic business expansion across all product lines and regions



Positive development of acquired businesses



Lonza Cell
Culture Media



TAP Biosystems



AllPure
Technologies

Continued Infrastructure Expansion



- Production capacities for single-use bags expanded at three sites
- New membrane casting machine installed; to be commissioned in 2015
- Extension of fermentation capacity in Bangalore

Main Credit Facility Refinanced in 2014

- Attractive credit market conditions used
- €250 million syndicated loan terminated ahead of schedule
- New syndicated loan agreement entered into by Sartorius AG
- Since end of 2014 Sartorius Stedim Biotech uses a credit line of €300 million provided by Sartorius AG
- Annual cost savings of ~ €1 million



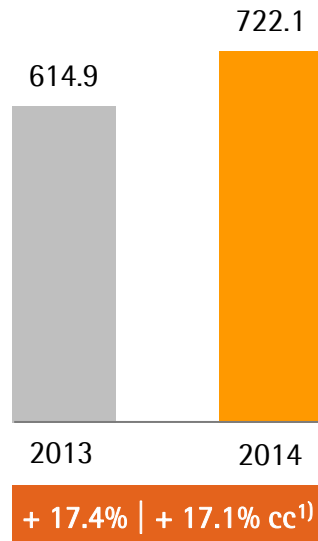
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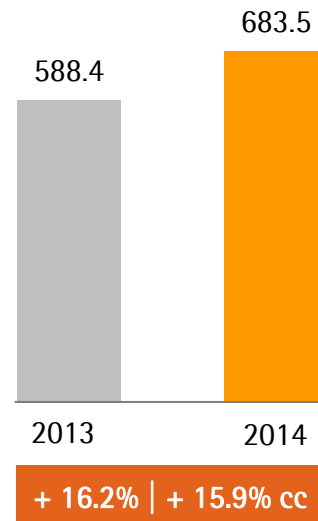


Strong Growth Slightly Ahead of Expectations

Order intake
in € million



Sales revenue
in € million



Order Intake

- Dynamic expansion despite high base

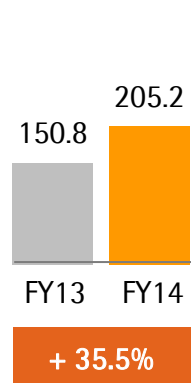
Sales Revenue

- Organic growth of ~8.5% fueled by all product lines
- Both organic and non-organic performance better than expected

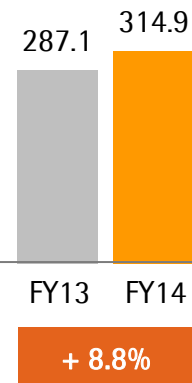
¹⁾ cc= in constant currencies

Sales Growth Supported by All Main Regions

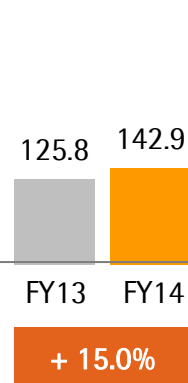
North America
Sales¹⁾ in € million



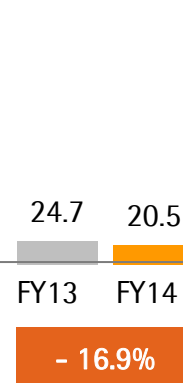
Europe
Sales¹⁾ in € million



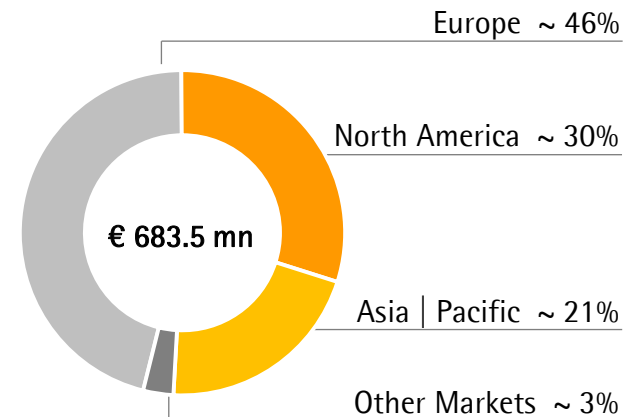
Asia | Pacific
Sales¹⁾ in € million



Other Markets
Sales¹⁾ in € million



Sales¹⁾ by Regions
in %



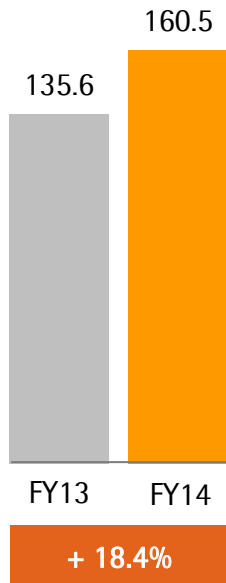
Growth in constant currencies

- Significant organic business expansion in North America; strong contribution from acquisitions
- Solid growth in Europe complemented by acquisitions
- Continued double-digit growth in Asia; minor non-organic effect

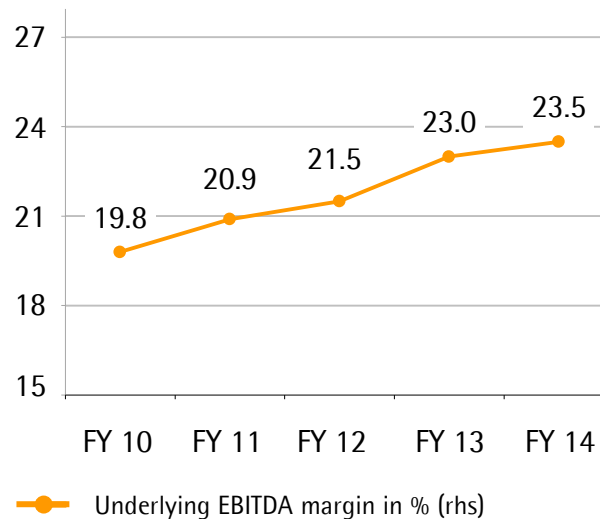
¹⁾ According to customers' location

Overproportionate Earnings Growth Yet Again

Underlying EBITDA¹⁾
in € million



EBITDA margin¹⁾
in %



Earnings per share²⁾
in €



- Underlying EBITDA margin increased by 50 bps driven by economies of scale
- No significant currency effect on margin in FY 2014

¹⁾ Excluding extraordinary items ²⁾ Based on net profit after non-controlling interest, adjusted for extraordinary items, amortization and fair value adjustments of hedging instruments

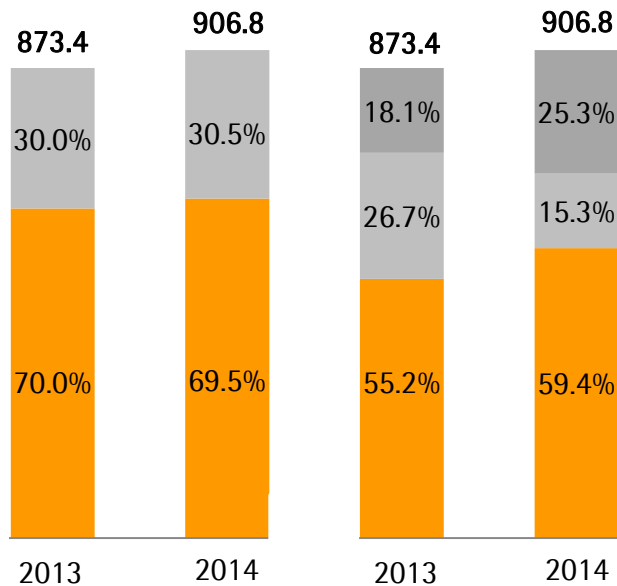
Strong Cash Flow Performance

Sartorius Stedim Biotech in € million (unless otherwise specified)	FY 2013	FY 2014	
Net cash flow from operating activities	90.1	111.3	<ul style="list-style-type: none"> Driven by strong earnings development
Net cash flow from investing activities ¹⁾	-73.4	-46.8	<ul style="list-style-type: none"> Below last year as planned Capex ratio of 6.5% in line with guidance
Net cash flow from financing activities	-8.0	-84.2	<ul style="list-style-type: none"> Reduction of gross debt

¹⁾ Including cash outflows related to acquisitions

Very Healthy Balance Sheet Despite High Level of Investments

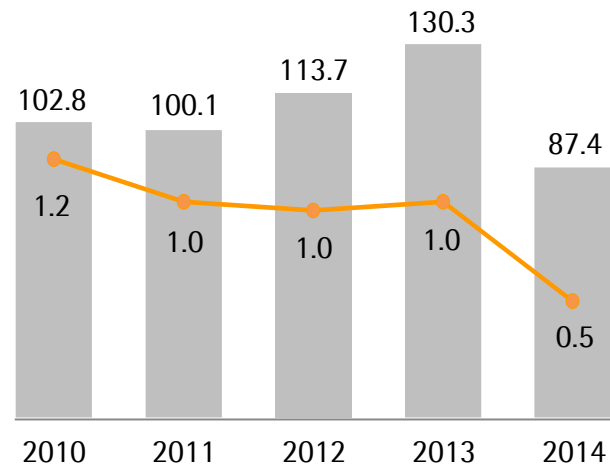
Balance sheet
in € million



■ Non-current assets
■ Current assets

■ Equity
■ Financial debt
■ Non-financial debt

Net Debt to Underlying EBITDA



■ Net debt in € million (lhs)
— Net debt to underlying EBITDA (rhs)

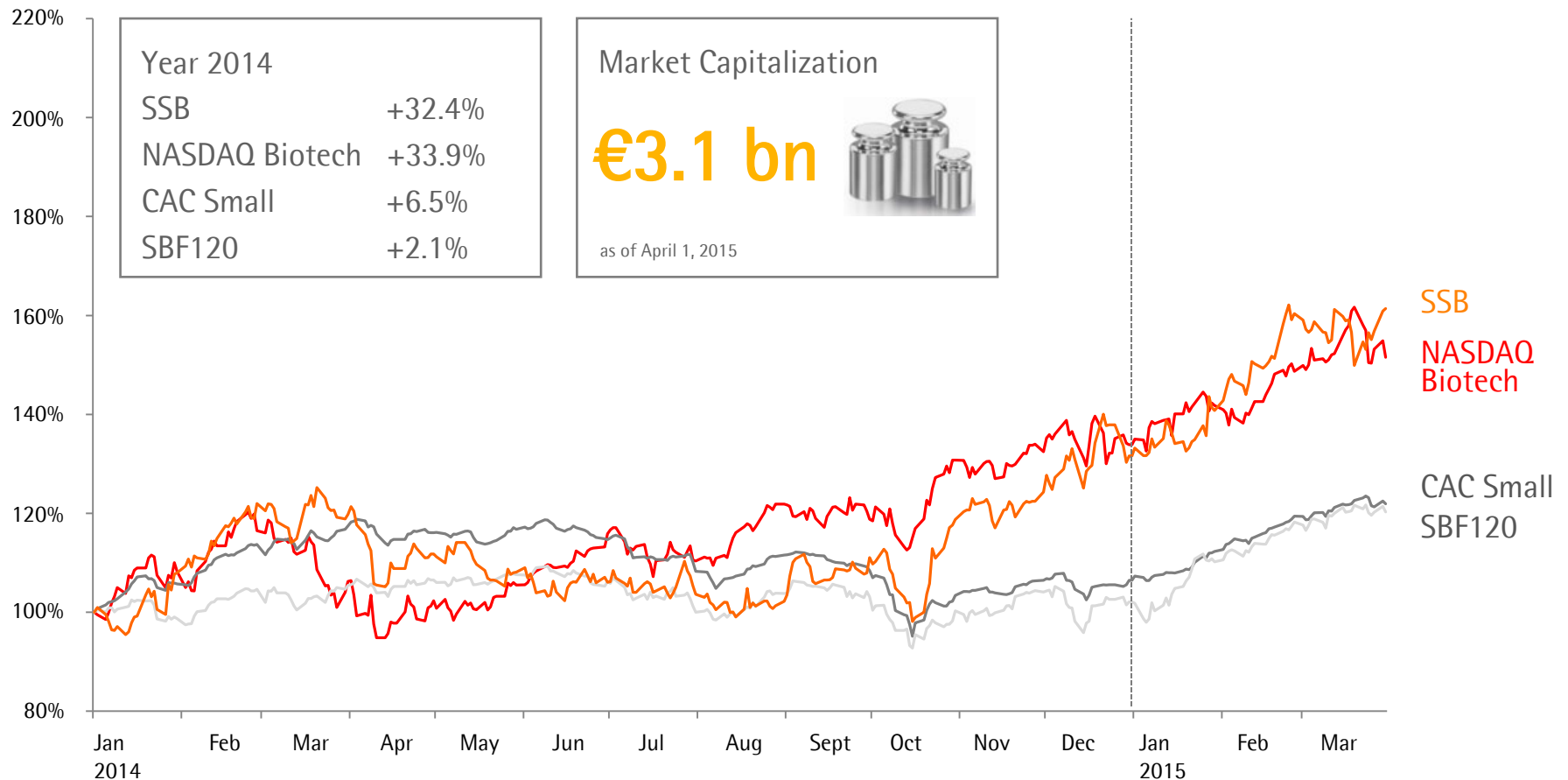
Balance Sheet of the Parent Company

December 31, 2014 in € million (unless otherwise specified)

Assets			Equity and Liabilities		
Non-current Assets	136.2	96.6%	Equity	71.1	50.5%
Current Assets	4.7	3.4%	Liabilities	69.8	49.5%
Total	140.9	100%	Total	140.9	100%

- Equity and balance sheet total significantly influenced by cancellation of treasury shares

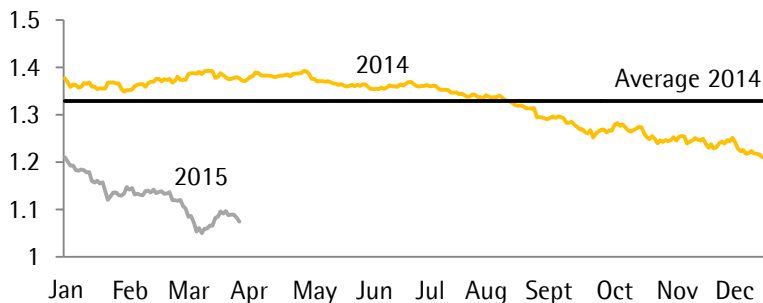
Significant Outperformance Versus French Indices



Positive Outlook for 2015

Sartorius Stedim Biotech Group	FY 2014	Guidance 2015
Sales revenue growth ¹⁾	15.9%	~ 4% - 7%
Underlying EBITDA margin	23.5%	~ 24.0% - 24.5% ¹⁾
Capex ratio	6.5%	~ 6% - 8%

€/\$ Development



- USD most important foreign currency for SSB
- Significant depreciation of € vs. \$
- Positive effect on sales and underlying EBITDA
- Moderate effect on margins due to hedging

¹⁾ In constant currencies

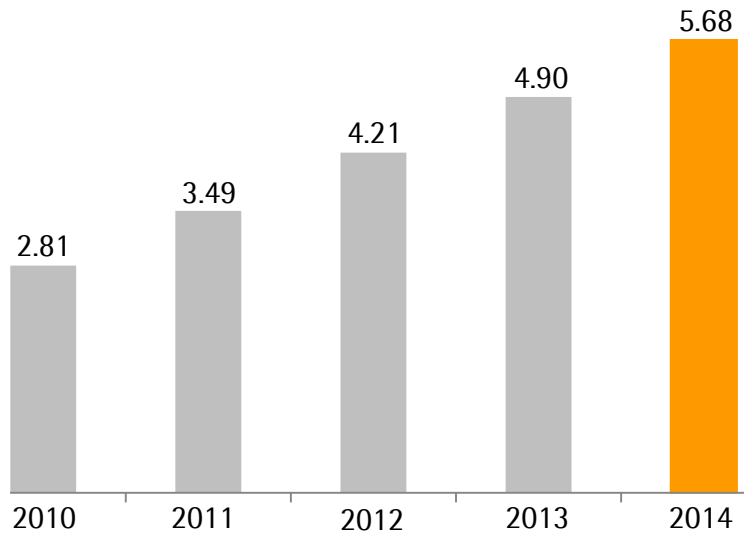
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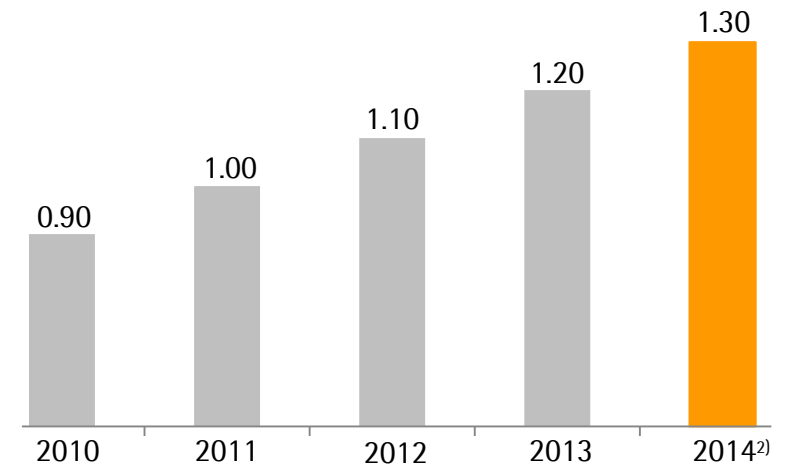


Consistent Dividend Increase

Earnings per Share¹⁾
in €



Dividend per Share
in €



- Total profit distributed would increase from €18.4 mn to 20.0 mn
- Payout ratio at 22.9% (2013: 24.5%)

¹⁾ Based on net profit after non-controlling interest, adjusted for extraordinary items, amortization and, for 2011 to 2014, fair value adjustments of hedging instruments ²⁾ Subject to approval by the AGM


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Proposals Concerning Resolutions 10 - 14

- Resolution 10 Anne-Marie Graffin to be appointed as a new independent director
- Resolution 11 Susan Dexter to be appointed as a new independent director
- Resolution 12 Renewal of Oscar-Werner Reif's appointment

 Approval of these proposals will allow compliance with certain provisions of the AFEP MEDEF Corporate Governance Code

- Resolution 13 KPMG to be appointed as statutory auditor for a six year period
- Resolution 14 Salustro Reydel to be appointed as deputy statutory auditor for a six year period

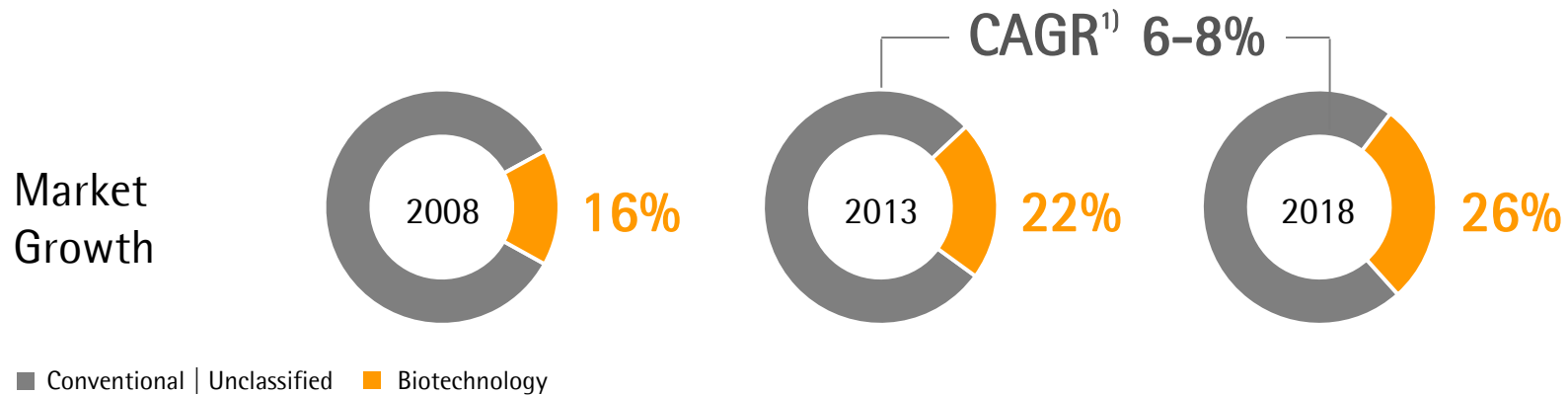
 Replacement of Ernst & Young and Auditex Audit whose mandates have expired

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SSB Operates in a Healthy Market Environment



Overproportionate Growth of Biopharma Market



Continuous Shift from Multi-Use to Single-Use

¹⁾ Biotech market; Evaluate Pharma: World Preview 2013|2014; June 2013|2014

Market Leading Position with Clear Focus on SU Technologies

Among the
TOP 3



#1



#1



#4



>85% of sales generated from a TOP 1-3 position

~75% of sales relate to single-use products

The Widest Product Portfolio Across the Biopharma Process Chain

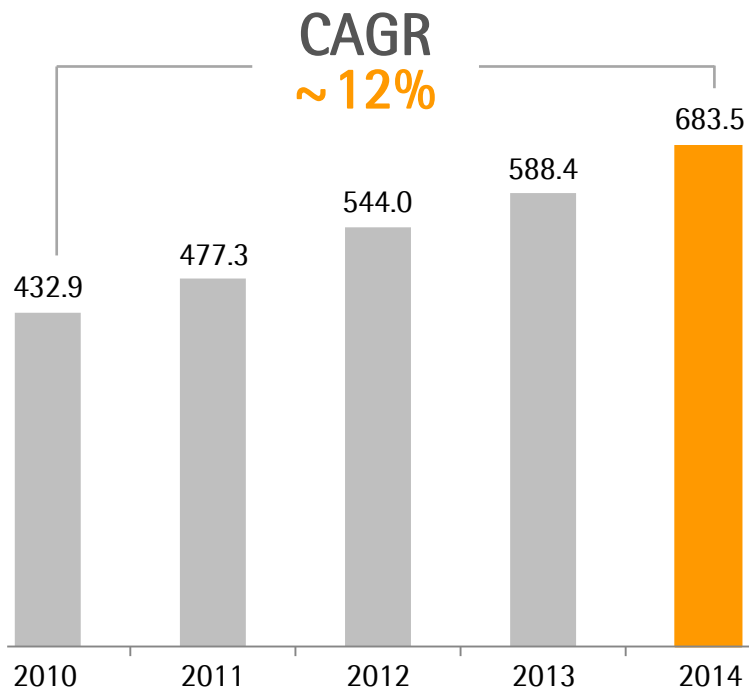


Services

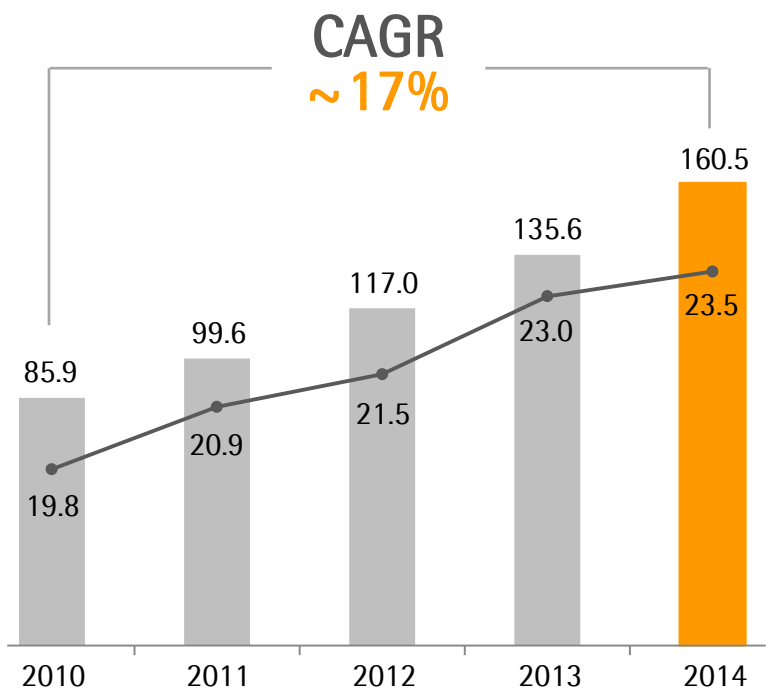
Evaluation & Optimization | Engineering & Design | Implementation & Technical Services

Strong Track Record of Profitable Growth

Sales Revenue
in € million

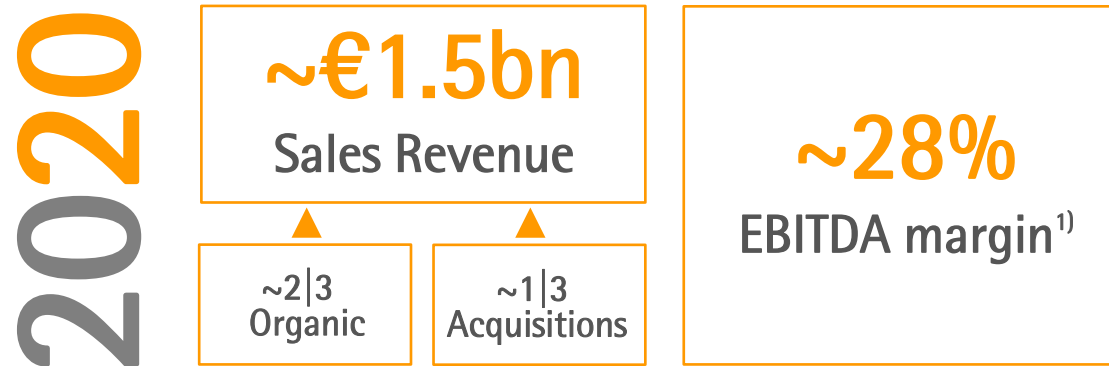


Earnings
EBITDA¹⁾ & margin



¹⁾ Excluding extraordinary items

Ambitious Long-Term Targets Supported by Growth Initiatives



Strategic Initiatives

Regional Growth

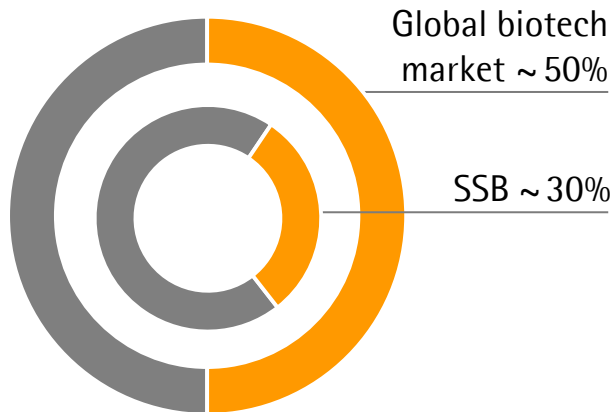
Portfolio Extension

Infrastructure Expansion

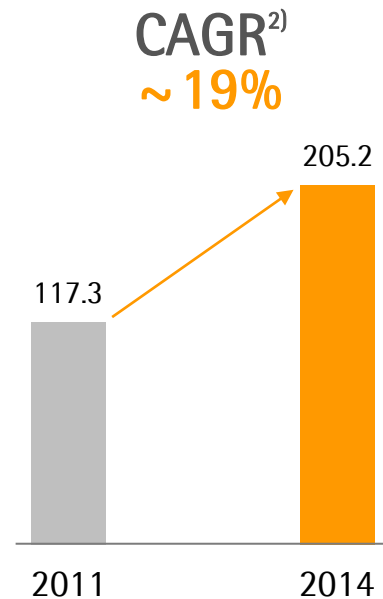
¹⁾ Excluding extraordinary items

Continuous Market Share Gains in North America

Share of Sales¹⁾



Sales Development



Footprint

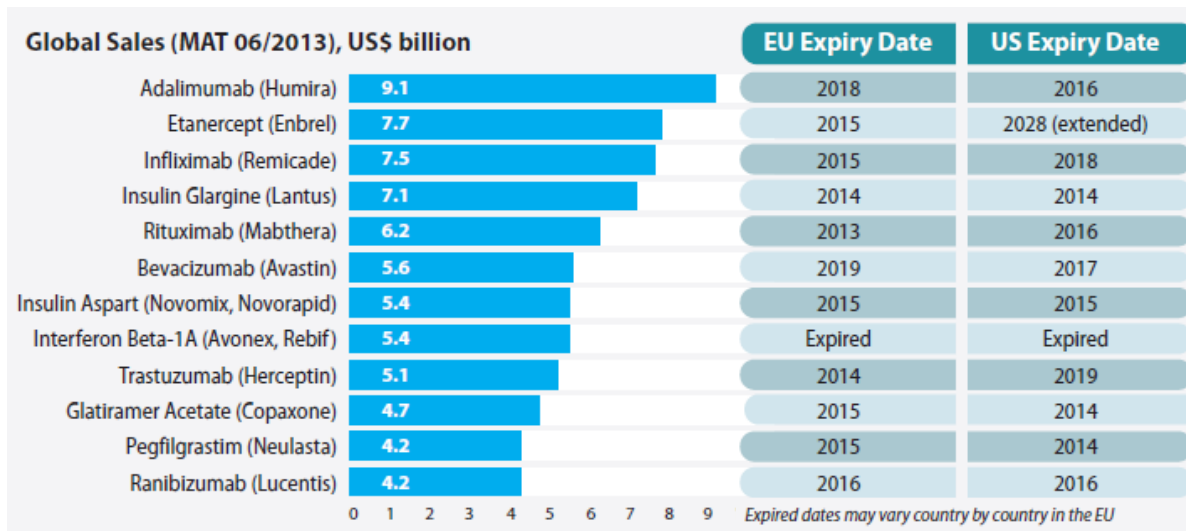


- Go-to-market initiative successfully executed; continuous market share gains
- Low double-digit organic growth rates targeted for the next years

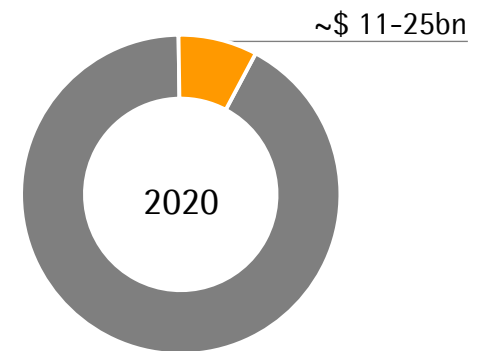
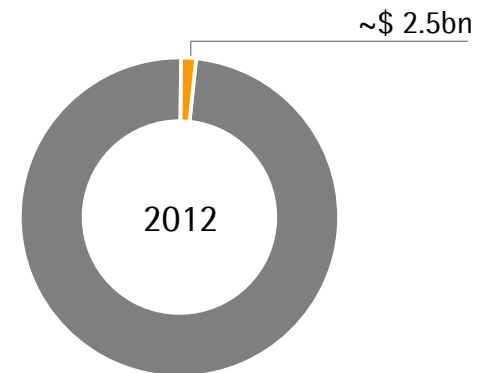
Asian Markets Offer Significant Growth Opportunities

- Expanding healthcare systems and private spending
- Asia is the center for global biosimilars development
- Double-digit market growth projected

Strong biosimilars pipeline driven by patent expiries



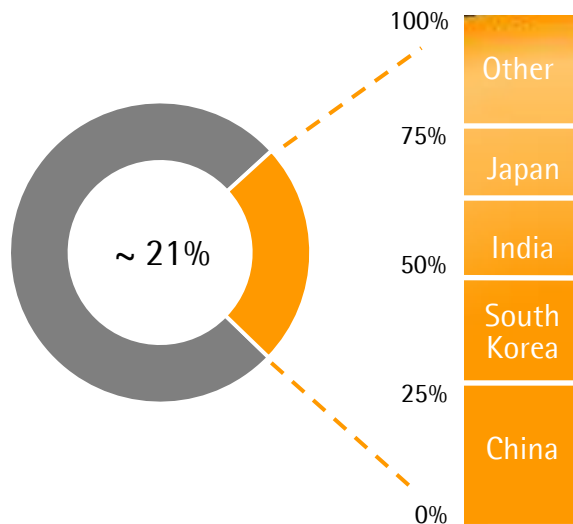
Global Biosimilars Market



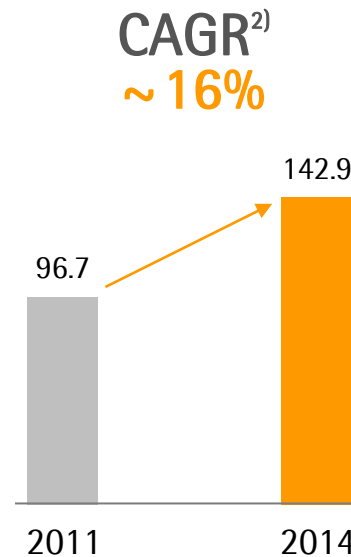
■ Biologics (all others)
■ Biosimilars | Non-original biologics

Growth Initiative Asia: Leverage Strong Market Growth

Share of Sales¹⁾



Sales Development



Footprint



- New sales headquarters in Shanghai opened in 2013; new test & training lab in 2014
- Continued double-digit organic growth projected for the next few years

Acquisitions Remain Part of Our Strategy: Example TAP Biosystems

Process Development



Production



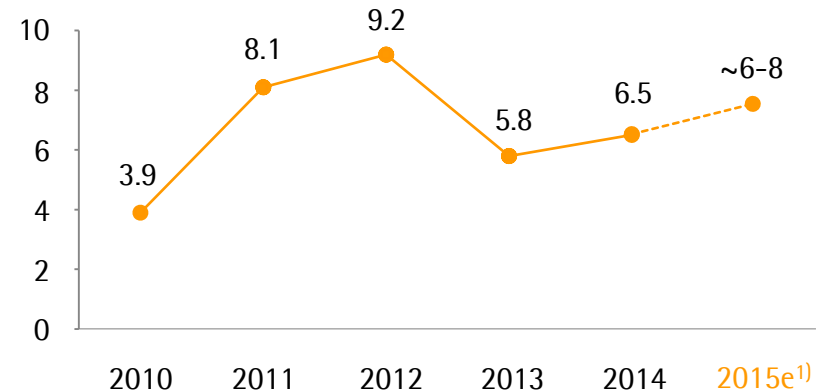
Acquisition Focus

- Products and Technologies which complement portfolio
- Generally decent market position required
- Strong position in the US market appreciated

Continued Capacity Extension to Accommodate Growth



Capex Ratio
in % of sales revenue



- Modernize and expand production capacity in UK for single-use products
- Multi-year investment program to expand Goettingen site
 - Further extension of membrane production capacity; additional R&D and application labs
- Capacity expansion at bag site in Tunisia
- Capex ratio projected at ~ 6% - 8% for 2015; expected to remain in this corridor for the next few years

¹⁾ Based on 2015 guidance

SSB 2020 on Track to Achieve Organic Growth and Margin Ambition



Dynamic organic growth slightly ahead of plan



Continuous margin expansion mainly driven by economies of scale



Strong execution on acquisitions and alliances



Non-organic sales contribution depending on availability of acquisition targets

Next

Annual Shareholders' Meeting

April 5, 2016 | Aubagne

Annual Shareholders' Meeting of Sartorius Stedim Biotech S.A. | April 7, 2015 | Aubagne | Annual

Annual Shareholders' Meeting

Shareholders' Meeting of Sartorius Stedim Biotech S.A. | April 7, 2015 | Aubagne | Annual Shareholders'
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Financial Calendar

- April 20, 2015
Publication of first quarter 2015 figures
- July 22, 2015
Publication of half-year 2015 figures
- October 20, 2015
Publication of nine-month 2015 figures
- January 2016
Publication of preliminary full-year 2016 figures
- April 5, 2016
Annual General Shareholders' Meeting, Aubagne

